Chris Baker

1. You should save for future needs, both expected and unexpected.
2. Some short term needs could be a car, an emergency such as sickness, or a vacation.
3. Some long term needs could be money for college, money for housing, or money for investing.
4. Some factors that affect how your money grows are the principal, how much you start with, the interest rate, how much money you get for saving it, and how often the interest is compounded.
5. People may choose to go with the lower interest in a commercial bank because of the wide variety of banking services offered.
6. Credit unions are non profit organizations established by groups of employees in similar occupations. They are owned by their members and offer higher interest rates.
7. The FDIC insures up to 100,000 dollars per account.
8. Regular savings accounts have less interest because of the high liquidity, you can touch the money very easily. A CD earns higher interest because it has low liquidity and must stay in the bank so the bank knows that they are able to use the money.
9. There are no penalties for withdrawing from a regular savings account. Withdrawing early from a CD generally results in a substantial drop in interest rate. Withdrawing early from a money market account can happen at anytime without having a fee.
10. When choosing a financial institution you should consider what types of accounts you want to choose the correct institution. And to choose the right account you should consider what factors do you need, low liquidity, high liquidity, interest and other factors.
11. Certain accounts can force you to save, such as the way 2 save account that transfers a dollar to your saving account every time you spend.